

## ASX RELEASE

10<sup>th</sup> August 2021

ASX:PEC

### CORPORATE DIRECTORY

#### Executive Chairman

Julian Babarczy

#### Managing Director

Robert Benussi

#### Non-Executive Director

Brett Grosvenor

#### Non-Executive Director & Company Secretary

George Karafotias

### PROJECTS

Beharra Silica Sands

Arrowsmith West

Sargon Hub

Eneabba Hub

### CONTACT

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**We wish to acknowledge the Traditional Custodians of the land (Yamatji Southern Regional) on which we are developing the Beharra Project, and pay our respects to their Elders past, present and emerging**

## Arrowsmith West Exploration License Granted

### HIGHLIGHTS:

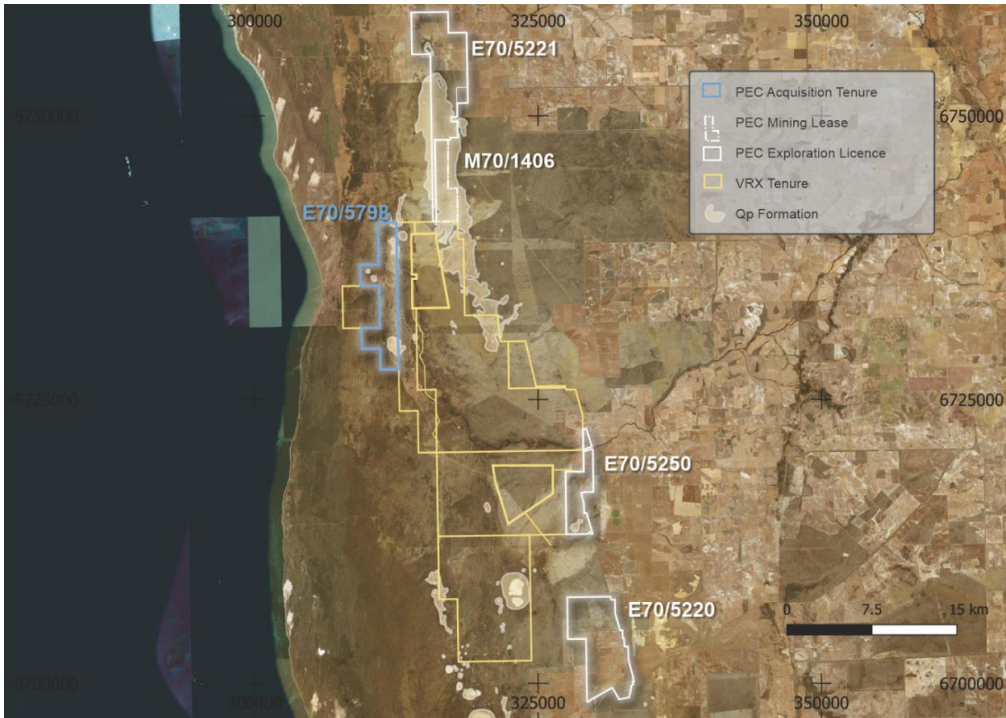
- Arrowsmith West application for Exploration Licence (E70/5798) has been formally granted by the Western Australian Government
- The grant of E70/5798 includes a minimum expenditure commitment of \$20,000
- Paves the way for exploration reconnaissance and evaluation activities to commence searching for high grade silica sand
- Shareholders to be updated on the Arrowsmith West exploration program in due course

**Perpetual Resources Limited (ASX: PEC, "PEC", "Perpetual" or "the Company")** is pleased to announce the granting of the Arrowsmith West Exploration Licence (E70/5798) by the Western Australian Department of Mines, Industry Regulation and Safety (**DMIRS**).

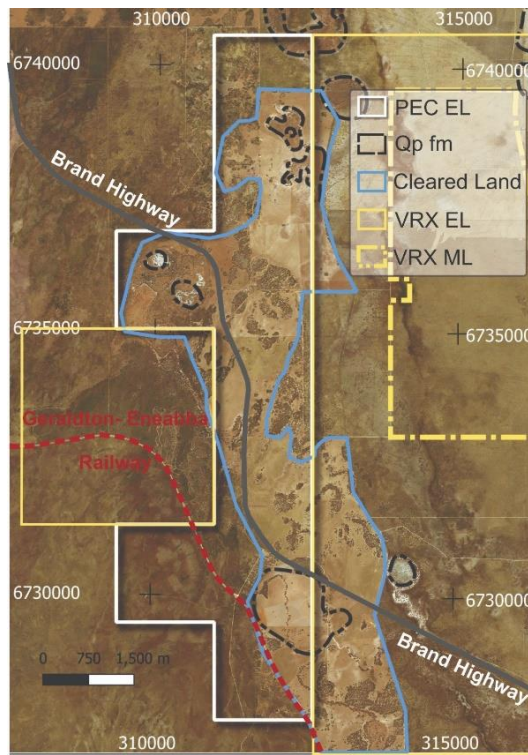
Perpetual announced on 6<sup>th</sup> July 2021 that it had entered into an option agreement to acquire the Arrowsmith West tenement, which is located 3.2km west and immediately south of Perpetual's flagship Beharra Mining Lease. Arrowsmith West contains prospective areas located entirely within cleared farming land, with potential for minimal or no impact to existing native vegetation. Arrowsmith West is also traversed by the sealed Brand Highway and the Geraldton-Eneabba railway line, suggesting strong infrastructure endowment.

In granting the Exploration Licence (E70/5798), DMIRS has detailed a minimum expenditure commitment of \$20,000. Perpetual has already commenced planning and reconnaissance work for E70/5798 with updates to be provided to shareholders in due course.

**Arrowsmith West Location, Access and Satellite Imagery**



**Figure 1 - Regional location map showing Arrowsmith West (E70/5798) tenement in blue outline and also showing nearby silica sand tenements.**



**Figure 2 – Outline of Arrowsmith West tenement (in white) also showing areas of cleared land and infrastructure.**

## About Perpetual Resources Limited

Perpetual Resources Limited (**Perpetual**) is a focused explorer of silica sands, aiming to produce high purity silica for export to the high growth Asian markets.

Perpetual's flagship asset, the Beharra Project (**Beharra**) is located 300km north of Perth and is 96km south of the port town of Geraldton in Western Australia. Access to the Project from Geraldton (to the north) and Perth (to the South) is via the sealed Brand Highway, thence approximately 8.5km east on the Mt Adams unsealed road providing access to the center of the tenure.



**Mt Adams Road which Intersects the Beharra Tenement (left) and Brand Highway Intersection with Mt Adams Rd (right)**

The port of Geraldton is an established bulk material handling facility and is currently utilised for the export of bulk materials, minerals, grain and concentrates. Commodities currently exported via Geraldton Port include grains, copper concentrates, zinc concentrates, nickel concentrates, mineral sands, talc, and iron ore.



**Geraldton Port – Operated by Mid-West Port Authority**

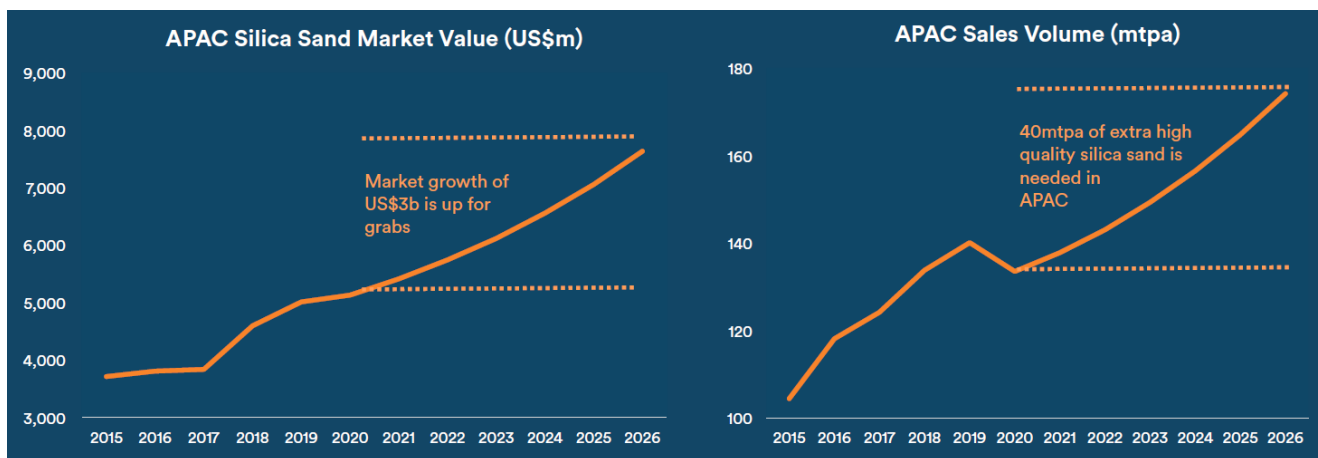


Beharra comprises a granted mining lease, M70/1406, covering an effective area of 10.4km<sup>2</sup>, and a granted exploration license, E70/5221, covering an effective land area of 56.8km<sup>2</sup>. Extensive heavy mineral sands mining occurs to the south of Beharra, lime sands mining to the west and natural gas production to the south of the project area.

Auger and air core drilling has confirmed the presence of extensive, high purity silica sands, with a maiden Mineral Resource Estimate completed in July 2020. A detailed Pre-Feasibility Study demonstrating compelling project economics for Beharra was released to the ASX in March 2021, along with a Maiden Ore Reserve.

## Silica Sands Market

Silica sands have an extensive range of uses, with lower purity (<99.5% SiO<sub>2</sub>) and lower priced applications including construction sand, proppant sand used in well fracturing, and foundry sand. With increasing purity (>99.5% SiO<sub>2</sub>) and price, uses include glass making including ultra-clear glass, with a main determinant of the sand's suitability for specific applications and pricing being the level of the key impurity iron oxide (Fe<sub>2</sub>O<sub>3</sub>). Significant expansion of solar PV cell manufacturing capacity globally is driving demand for silica sand with Fe<sub>2</sub>O<sub>3</sub> content of <200ppm and lower, which is a key focus market for Beharra.



Source: IMARC Group, Report Title: "Asia Pacific Silica Sand Market: Industry Trends, Share, Size, Growth, Opportunity and Forecast 2021-2026", Report Date: February 2021

Perpetual is targeting the high growth Asia Pacific silica sand markets, where independent market assessments have calculated a 40mtpa incremental market growth opportunity through to 2026.

This announcement has been approved for release by the Board of Perpetual.

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### For enquiries regarding this release please contact:

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### **Forward-looking statements**

Certain statements contained in this document may be 'forward-looking' and may include, amongst other things, statements regarding production targets, economic analysis, resource trends, pricing, recovery costs, and capital expenditure. These 'forward-looking' statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by Perpetual, are inherently subject to significant technical, business, economic, competitive, political and social uncertainties and contingencies and involve known and unknown risks and uncertainties that could cause actual events or results to differ materially from estimated or anticipated events or results reflected in such forward-looking statements.

Forward-looking statements are often, but not always, identified by the use of words such as 'believe', 'expect', 'anticipate', 'indicate', 'target', 'plan', 'intends', 'budget', 'estimate', 'may', 'will', 'schedule' and others of similar nature. Perpetual does not undertake any obligation to update forward-looking statements even if circumstances or management's estimates or opinions should change. Investors should not place undue reliance on forward-looking statements as they are not a guarantee of future performance.

### **Disclaimer**

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### **COMPETENT PERSONS STATEMENT**

The information in this report that relates to exploration activities for the Beharra Project is based on information compiled and fairly represented by Mr Colin Ross Hastings, who is a Member of the Australasian Institute of Mining and Metallurgy and consultant to Perpetual Resources Limited. Mr Hastings is also a shareholder of Perpetual Resources Limited. Mr Hastings has sufficient experience relevant to the style of mineralisation and type of deposit under consideration, and to the activity which he has undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Hastings consents to the inclusion in this announcement of the matters based on this information in the form and context in which it appears.